REMARKS

With entry of this amendment, claims 1-3 and 55-63 are pending in this application, claims 1-3 and 55 of which stand rejected, and claims 56-63 of which have been newly added. Non-elected claims 4-54 have been cancelled. Based on the foregoing amendments and following remarks, reconsideration and allowance of this application is respectfully requested.

Drawing Objections

The drawings have been objected to as not designating the prior art figures with the legend "Prior Art." As shown in the attached marked-up drawing sheets, Applicant has amended Figs. 1-6 to include the prior art legend. As such, Applicant respectfully requests withdrawal of the drawing objections.

Specification Objections

The Abstract stands objected to as falling outside the range of 50 to 150 words. The Abstract has been accordingly amended to fall within this range. As such, Applicant respectfully requests withdrawal of the specification objections.

Claim Rejections-35 U.S.C. §102

Claims 1-3 and 55 stand rejected under 35 U.S.C. §102(b), as being anticipated by U.S. Patent No. 5,698,807 ("Massie"). Applicant respectfully traverses this rejection, since Massie does not disclose each and every element required by these claims, as amended.

In particular, independent claim 1 has been amended to clarify that the hearing aid comprises a microphone. Although Applicant believes that at least some of the method steps recited in independent claim 55 are not inherently performed in the apparatus disclosed in Massie, in order to expedite the prosecution of this application, Applicant has amended this claim to require the hearing

PATENT 2022645-7002454001

aid to receive acoustical signals that are then transformed into the digital signals. In contrast, to the

extent that the electronic music system disclosed in Massie can be considered a hearing aid, it does

not include an input channel with a microphone, and is not capable of receiving acoustic signals that

are then transformed into digital signals, as required by claims 1 and 55.

Thus, Applicant submits that independent claim 1, as well as the claims depending therefrom

(claims 2-3), and independent claim 55, are not anticipated by Massie, and as such, respectfully

request withdrawal of the §102 rejections of these claims.

New Claims

Newly added claims 56-63, which find support in the originally filed application (in

particular, at page 6, lines 24-28), depend from independent claims 1 and 55, and are thus, patentable

over the prior art for the same reasons as claim 1.

Conclusion

Based on the foregoing, it is believed that, with entry of this amendment, all claims are now

allowable and a Notice of Allowance is respectfully requested. If the Examiner has any questions or

comments regarding this amendment, the Examiner is respectfully requested to contact the

undersigned at (714) 830-0600.

Respectfully submitted,

Dated: August 11, 2004

Michael J. Bolan Reg. No. 40

Bingham McCutchen LLP Three Embarcadero Center. 18th Floor

San Francisco, California 94111

7